

Business Justification

I. Executive Summary

The Department of Financial Institutions has identified several secretarial and administrative staff as well as a middle management classification title that can participate in the Voluntary Buyout Program (VBP). The Department of Financial Institutions has a statutory mandate to examine the financial institutions that are within the regulatory jurisdiction of the Department. The Department also has contractual obligations with other regulators to examine financial institutions. Therefore, the Department has not identified any examiner positions that could be offered the VBP. Likewise, there are additional positions in the Department that are essential to support the examination function. For instance, the Department needs its attorneys to bring enforcement actions resulting from exams and its human resources and accounting section to support the examination function. Therefore, the only positions the Department can permit to participate in the VBP are those positions that are administrative and secretarial in nature. Thereafter, the remaining employees will have to perform much of their own administrative and secretarial work. In addition, the Department has identified one middle management classification title that could be offered the VBP.

The Department has identified the following administrative/secretarial positions within the various work units in the Department that could be offered the voluntary buyout option: Executive Administrative Assistant 1, Executive Administrative Assistant 3, Administrative Assistant 1, Administrative Assistant 3, Administrative Secretary, Administrative Services Assistant 2, and Administrative Services Assistant 3. The middle management classification title that can be offered the voluntary buyout option is the Financial Institutions Program Administrator 1.

II. Business Justification and Assessment

The Department currently has twenty positions whose class titles include duties that are primarily secretarial and/or administrative. There are five work units or divisions within the Department and these secretarial/administrative positions are spread throughout these five divisions. The Administrative Division has 4 positions; the Bank Division has 1 position; the Credit Union Division has 2 positions; the Compliance Division has 11 positions, and; the Consumer Resources Division has 2 positions.

The Administrative Division has four secretarial/administrative staff to support fourteen full time staff members and one part-time staff member. Some of the administrative duties can be shared among a smaller group of individuals.

The Bank Division has one secretarial/administrative staff member that supports seven full-time and one part-time position in the main office and processes Reports of Examination from approximately 45 examiners. The person in this position is not eligible for the VBP.

The Credit Union Division has two secretarial/administrative staff to support two staff members in the main office and approximately eleven examiners in the field. The number of state-chartered credit unions has been gradually and consistently declining over the last several years. Some of the administrative duties can be shared among a smaller group of individuals.

The Compliance Division has eleven secretarial/administrative staff that support nine positions in the main office as well as approximately thirty examiners in the field. Two of these secretarial/administrative staff positions are located in field offices in Rutherford County and Knox County. In addition to secretarial/administrative work, several Compliance Division administrative support staff members are responsible for data entry for more than 6000 companies and approximately 12,000 mortgage loan originators that the Compliance Division regulates. Accurate and up-to-date data entry is essential for the examiners to perform their duties. As is clear from the mortgage industry troubles that have been discussed in the news over the last year, there are a lot of structural changes happening within mortgage companies and this information has to be entered into the RBS system so that examiners can properly examine these companies. However, some of the administrative duties can be shared among a smaller group of individuals.

The Consumer Resources Division has two secretarial/administrative staff members that support four other staff members. Some of the administrative duties can be shared among a smaller group of individuals.

The Department has also identified a middle management position (Financial Institutions Program Administrator I) that can be offered the voluntary buyout option. The bank division has one employee in that job classification. The Bank Division can not offer the voluntary buyout option to this position because this position performs examinations. The Consumer Resources Division has two employees with that job classification. Some of the middle manager type duties performed by the employees in this division can be shared by other individuals.

III. Information for F & A

The Recurring Savings Plan is attached hereto as Exhibit 1.

IV. Other information

The Summary of Classes Eligible for the Voluntary Buyout Program Spreadsheet is attached hereto as Exhibit 2.

The Employee Listing Spreadsheet is attached hereto as Exhibit 3.

Approved by: Tina G. Miller